

## Message Text

LIMITED OFFICIAL USE

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46

ACTION EB-11

INFO OCT-01 ARA-16 EUR-25 ISO-00 TRSE-00 XMB-07 CAB-09

CIAE-00 COME-00 DODE-00 INR-10 NSAE-00 RSC-01 FAA-00

DOE-00 L-03 H-03 SS-20 NSC-07 OMB-01 PA-04 USIA-15

PRS-01 /134 W

----- 118217

R 051032Z MAR 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 0861

INFO AMEMBASSY BRASILIA

AMEMBASSY PARIS

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY MADRID

AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE BONN 03475

DEPARTMENT PASS TREASURY AND EXIM

E.O. 11652: N/A

TAGS: EFIN, GW, ETRN, FR

SUBJECT: CIVAIR: TRANSBRAZIL NEGOTIATES TO BUY  
AIRBUS

REF: (A) BONN 03309; (B) RIO DE JANEIRO 390;  
(C) STATE 18841

1. FRG ECONOMICS MINISTRY OFFICIAL POTT REVIEWED  
WITH EMBOFF THE MINUTES OF A MARCH 1, 1974,  
MEETING BETWEEN AIRBUS AND GOVERNMENT OFFICIALS  
CONCERNING THE TRANSBRAZIL CONTRACT.

2. AS IT NOW STANDS, THE PROPOSAL IS TO LEASE  
THE AIRCRAFT TO TRANSBRAZIL FOR A PERIOD OF TWO  
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TO THREE YEARS, AT WHICH POINT THE AIRCRAFT WOULD

BE SOLD OUTRIGHT. CREDIT WOULD EITHER CONSIST OF A SHORT TERM REVOLVING CREDIT ARRANGEMENT OR A LONG-TERM TWELVE YEAR LOAN (TWELVE YEARS FROM JUNE 1, 1974). IN ADDITION, AIRBUS WOULD GRANT A SPECIAL \$500,000 CREDIT IN KIND IN THE FORM OF SERVICES, PARTS, ETC. NO INTEREST RATE FIGURES WERE DISCUSSED AT THE MARCH 1 MEETING, BUT AT A PREVIOUS MEETING, AIRBUS OFFERED 7.25 PERCENT TERMS WHILE TRANSBRAZ IL SAID THEY WOULD NOT PAY MORE THAN 6.5 PERCENT. CREDITS WILL BE INSURED, AT LEAST IN PART, BY HERMES (GOVERNMENT INSURANCE CORPORATION).

3. IN ADDITION, AIRBUS OFFICIALS DISCUSSED SOME TYPE OF EQUITY PLAN UNDER WHICH THEY WOULD SHARE IN TRANSBRAZIL LOSSES OR PROFITS.

4. ANOTHER MEETING BETWEEN AIRBUS AND GOVERNMENT OFFICIALS IS SCHEDULED FOR SOMETIME NEXT MONTH.  
HILLENBRAND

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, AIRCRAFT, PROCUREMENT, AIRLINES, AIRCRAFT SALES, TRANSPORT AIRCRAFT, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BONN03475  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740368/aaaac1q.tel  
**Line Count:** 81  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) BONN 03309; (B) RIO DE JANEIRO 3, 90;  
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**Review Content Flags:**  
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**Review Exemptions:** n/a  
**Review History:** RELEASED <22 APR 2002 by ifshinsr>; APPROVED <11 JUN 2002 by morefirh>  
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EO Systematic Review  
30 JUN 2005

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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CIVAIR: TRANSBRAZIL NEGOTIATES TO BUY AIRBUS  
**TAGS:** EFIN, ETRN, GE, FR, TRANSBRAZIL  
**To:** STATE  
**Type:** TE  
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